

# NJCFS/MACS-E REPORT

INFORMATION FOR THE FUTURE USERS OF THE NJCFS/MACS-E SYSTEM

November 1992

Issue 2 – New Functionality

## NEW WAYS OF PROCESSING

NJCFS/MACS-E is an automated, integrated purchasing and accounting system that will provide agencies with increased financial autonomy and responsibility while at the same time providing for more uniform business practices across the state.

Some of the major changes in processing include:

- elimination of the requirement to send paper transactions to Treasury

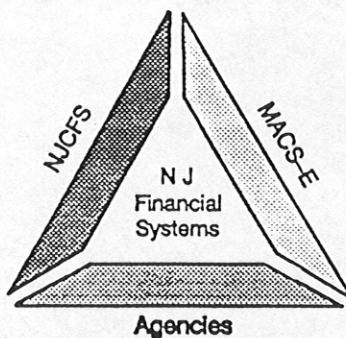
- elimination of memo processing
- elimination of PB-3's
- initiation of the majority of accounting transactions through the purchasing operation
- on-line, real time accounting transactions

State agencies are responsible for developing implementation plans so that they can begin using the system on July 1, 1993.

To help agencies develop these plans, two sets of Guidelines are being produced. Phase I, Preparation Guidelines have been distributed to Chief Fiscal Officers. The Guidelines

provide information to help agencies develop a record of their current financial operation—accounting and purchasing workflows, procedures, processes and reports. Phase II, Implementation Guidelines will be distributed in January, 1992. They will help agencies redesign their financial operations to make maximum use of the new system. They will also help agencies to establish uniform business practices, internal and security controls and audit standards.

OMB and GSA staff will be available to respond to questions and to provide limited consulting assistance as agencies prepare for implementation on July 1.



## NEW TERMINOLOGY

You will be hearing new words and phrases or words used in different ways in the new system. A few of these are listed on the right. The changes will bring our processing more in line with GAAP (Generally Accepted Accounting Principles).

From FIS	To CFS/MACS-E
INVOICE RECEIVABLE	PAYMENT VOUCHER (7 Types)
XXX	–APPROPRIATION
XXX	–ESTIMATED RECEIPTS
PB-3 OBLIGATION	RECEIVABLE
OBLIGATION	INVOICE
REQUISITION	(Not available)
DEPARTMENT	ENCUMBRANCE
COST CENTER BUDGET	PRE-ENCUMBRANCE
PROJECT ACTIVITY	AGENCY (3 Digit Code)
FUND (Source, Use, GAAP)	EXPENSE BUDGET
SOURCE and USE	–PROJECT
DEBIT/CREDIT	–OBJECT
	GAAP FUND (Only)
	APPROPRIATION UNIT CODE
	–EXPENSE MODIFICATION
	–INTERGOVERNMENTAL PAYMENT VOUCHER
XXX (Not used the same way)	



## IMPORTANT DATES

November 1992 – April 1993 Agency Implementation Planning  
December 1992 Agency Purchasing/Accounting Processing Documented  
July 1, 1993 NJCFE/MACS-E Operational

## NEW FUNCTIONALITY

### Grants and Projects

NJCFE offers new functionality in the areas of grant and project accounting. Separate transactions are provided to support each function. In NJCFE, both grants and projects can be established, monitored, controlled, and reported on independently of the State's budget.

NJCFE provides an automated mechanism for recording both direct and indirect expenditures and revenues for grants and projects. In addition,

NJCFE provides the facility for reporting on specific grant and project activity across multiple fiscal years, independent of the State's fiscal year.

### Grants

Grants are funds granted to the State to aid in the support of a specified function. Examples of grants could include AIDS research, cancer research, environmental concerns, and educational programs. In NJCFE, grants can be divided into lower levels of detail so that salaries, travel expenses, materials, and other ex-

penses related to the grant can be monitored.

### Projects

Because projects are defined uniquely within an agency, agencies will have the flexibility to determine exactly what defines a project and to assign their own codes. Projects can also be linked together in cases when multiple agencies are responsible for project completion. Examples of projects could include construction of a building, paving of a street, implementation of a new computer system, and others that agencies want to monitor centrally.

## NEW PROCUREMENT PROCESSING

MACS-E includes a number of innovations in the procurement process:

- The elimination of the PB-3 to a pre-encumbrance document.
- The elevation of the PB-2 to an encumbrance document that accomplishes the encumbrance function via an on-line interface with NJCFE
- The establishment of four new document types designed to handle "small dollar" procurements

of both a confirming and non-confirming nature. (Please note that we are using the new definitions here: a purchase order is the PB-2, an invoice is the vendor's bill, and the payment voucher is the new term for what was previously referred to as form 50/54.)

1. Blanket Agency Purchase Orders (Blanket PB-2's) – DPA: serve the needs of an agency to encumber an amount not to exceed \$8000 and to make DPA purchases against that amount; each payment voucher may not exceed \$150.
2. Blanket Agency Purchase Orders – Contract: work very much like the DPA Blanket,

except they must reference a valid contract and, because the orders are intended for the purchase of contract items, the invoices have no expenditure limits.

3. Multi-Vendor Orders: set up for the purpose of receiving goods and services, processing invoices and approving payments for multiple vendors by writing an order to a "miscellaneous" vendor.
4. Confirming Orders: allow the user to enter "small dollar" confirming orders into MACS-E. MACS-E automatically creates the necessary receipt, invoice and payment records. No purchase order is printed.

???????WHAT DO YOU THINK???????

We need your comments, suggestions, and questions.

Please contact Sallie Annett at 633-7283